

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 7239  
**COMPANY NAME** : Scanwolf Corporation Berhad  
**FINANCIAL YEAR** : June 30, 2022

## OUTLINE:

### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board sets the Company's strategy and ensure that the necessary resources are in place for the Company to meet its objectives while regularly reviewing management performance. The Board also sets the Company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met by taking, amongst others, the roles as follows:</p> <ul style="list-style-type: none"><li>• reviewing and adopting a strategic plan for the Group and to institute a regular and formal board strategy review to ensure that the strategic plan support long term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability of its business and Group operations;</li><li>• overseeing the conduct of the Group's Business, supervise and assess management's performance to evaluate whether the business is being properly managed and that the Group's performance is skewed towards achieving its strategy not withstanding that some of the subsidiaries have separate Board of Directors;</li><li>• review, challenge and decide on management's proposals for the Company and monitor its implementation by management;</li><li>• anticipate changes in the market and ensuring that the Group's capabilities and resources are sufficient to manage uncertainties;</li><li>• identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;</li></ul>

	<ul style="list-style-type: none"> <li>• succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing Board members and senior management;</li> <li>• developing and implementing an investor relations programme or shareholder communications policy for the Group;</li> <li>• reviewing the adequacy and the integrity of the Group’s risk management, internal control systems and management information systems, including systems / reporting framework for compliance with applicable laws, regulations, rules, directives and guidelines;</li> <li>• determining the remuneration of non-executive Directors, with the individuals concerned abstaining from discussions of their own remuneration;</li> <li>• ensuring that the Company’s financial statements are true and fair and other conform with the laws; and</li> <li>• ensuring that the Company adheres to high standards of ethics and corporate behaviour.</li> </ul> <p>The Company’s Board Charter defines the specific duties and responsibilities of the Board which can be found at the Company’s website at <a href="http://www.scanwolf.com">www.scanwolf.com</a>.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>Tan Sri Dato' Sri Haji Syed Zainal Abidin Bin Syed Mohamed Tahir is the Chairman of the Board and also an Independent and Non-Executive Director is primarily responsible for the overall leadership and ensuring the Board's effectiveness and conduct, good corporate governance practices and efficient functioning of the Board. The key roles of the Chairman, amongst others, are as follows:</p> <ul style="list-style-type: none"><li>a) leading the Board in the oversight of management;</li><li>b) acting representative of the Board;</li><li>c) representing the Board to shareholders and chairing general meeting of shareholders;</li><li>d) ensuring the adequacy and integrity of the governance process and issues;</li><li>e) maintaining regular dialogue with the Group MD/CEO over all operational matters and consulting with the remainder of the Board promptly over any matters that gives him/her cause for major concern to optimise the effectiveness of the Board and its Committees;</li><li>f) functioning as a facilitator at meetings of the Board to ensure that no member, whether executive or non-executive, dominates discussion, that appropriate discussions takes place and that relevant opinions among members is forthcoming. The Chairman will ensure that discussions result in logical and understandable outcomes;</li><li>g) ensuring that all Directors are enabled and encouraged to participate in its activities. This includes ensuring that all relevant issues are on the agenda and that all Directors receive timely, relevant information tailored to their needs and that they are properly briefed on issues arising at Board meetings;</li><li>h) ensuring that executive Directors look beyond their executive function and accept their full share of responsibilities of governance and provide regular updates on all issues pertinent</li></ul>

	<p>to the welfare and future of the Group to the Board;</p> <p>i) guiding and mediating Board actions with respect to organisational priorities and governance concerns;</p> <p>j) undertaking the primary responsibility for organising information necessary for the Board to deal with items on the agenda and for providing this information to Directors on a timely basis; and</p> <p>k) performing other responsibilities assigned by the Board from time to time.</p>	
<p><b>Explanation for departure</b></p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</p>	

**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.3**

The positions of Chairman and CEO are held by different individuals.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The position of Chairman is held by Tan Sri Dato' Sri Haji Syed Zainal Abidin Bin Syed Mohamed Tahir whilst the Company does not have Managing Director nor CEO.</p> <p>There is clear division of responsibilities between the Chairman of the Board and the Executive Director. This division of responsibilities between the Chairman and the Executive Director ensures an appropriate balance of roles and responsibilities and accountability. The Chairman lead the Board to ensure its smooth and effective functioning.</p> <p>The role of the Chairman has been outlined in Practice 1.2.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.4**

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	The Chairman of the Board, Tan Sri Dato' Sri Haji Syed Zainal Abidin Bin Syed Mohamed Tahir is not a member of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supported by two (2) qualified and competent Company Secretaries, Chong Lay Kim, who is a licensed secretary by Registrar of Companies and Yeng Shi Mei who is a member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and both are qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016.</p> <p>Generally, the Company Secretaries advise the Board particularly on the Company's Constitution and Boars policies and procedures, as well as compliance with applicable rules, regulations and best practices.</p> <p>The roles and responsibilities of the Company Secretaries include, but are not limited to the following:</p> <ul style="list-style-type: none"><li>a) Preparing agenda and coordinating the preparation of meeting papers and managing of the Board and meeting logistics and committee meetings and facilitate Board communications;</li><li>b) Advising the Board on its roles and responsibilities and ensuring that Board procedures and applicable rules are observed;</li><li>c) Advising the Board on corporate disclosures and compliance with company and securities regulations and listing requirements;</li><li>d) Maintaining records of the Board and ensuring effective Management of organisation's record;</li><li>e) Attending and preparing comprehensive minutes to document Board proceedings and ensuring conclusions are accurately recorded;</li><li>f) Timely dissemination of information relevant to Directors' roles and functions and keeping them updated on new or evolving regulatory requirements;</li><li>g) Monitoring governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations;</li></ul>



	<ul style="list-style-type: none"> <li>h) Facilitating the orientation of new Directors assisting in Director’s training and development;</li> <li>i) Assisting the communications between the Board and Management;</li> <li>j) Managing processes pertaining to the Annual General Meeting;</li> <li>k) Serving as a focal point for stakeholders’ communication and engagement on corporate governance issues; and</li> <li>l) Providing full access and services to the Board and carrying out other functions deemed appropriate by the Board from time to time.</li> </ul> <p>All Directors have unrestricted access to the advice and services of the Company Secretaries.</p>		
<b>Explanation for departure</b> :			
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>			
<b>Measure</b> :			
<b>Timeframe</b> :	<table border="1" style="width: 100%; height: 100%;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></td> </tr> </table>		

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All Directors are provided with meeting materials at least 7 days prior the date of the meeting to ensure adequate time is allocated for the Board's deliberation of issues at the meeting.</p> <p>However, the Board and Board Committees also hold meetings to approve certain urgent matters and these meetings are called with less than 7 days notice with the consent of all Board and Board Committee members.</p> <p>The minutes of the Board meeting are circulated to all the Directors on a timely basis for them to review and confirmed at the next board meeting. Thereafter, the signed copies are kept in the minutes' book by the company secretaries.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

**Practice 2.1**

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Scanwolf has a Board Charter which clearly sets out the roles and responsibilities of the Board and various Board Committees, Chairman, Group MD/CEO and individual directors as well as the respective meetings requirements and leadership matters including matters reserved for the Board. The Board Charter is subject to periodic review in tandem with changes in regulations and best practices to enable Directors to carry out their stewardship role and discharge their fiduciary duties towards the Company.</p> <p>The Board Charter is available on the Company's website at <a href="http://www.scanwolf.com">www.scanwolf.com</a></p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Company's Codes of Conduct and Ethics for Directors continue to govern the standards of ethics and good conduct expected of Directors. The Code of Conduct and Ethics for Directors includes principles relating to corporate governance; conflict of interest; relationship with employees; shareholders and business partners; social responsibilities and environmental commitment; compliance with laws, rules and regulations and dealings in securities are available at the Company's website at <a href="http://www.scanwolf.com">www.scanwolf.com</a> .
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

**Practice 3.2**

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company acknowledges the importance of policies and procedures on whistleblowing and thereby, set out a Whistleblowing Policy to delineate whistleblowing procedures as an independent feedback avenue for employees and stakeholders to raise matters of concern in good faith and without fear of reprisal should they require to use the available whistleblowing channels.</p> <p>The details of the procedures are set out within the Whistleblowing Policy which is available at the Company’s website at <a href="http://www.scanwolf.com">www.scanwolf.com</a></p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Scanwolf board members are committed to develop and take responsibility for the governance of sustainability.  The Executive Directors will takes into account sustainability considerations when making decision on development and implementation of company strategies, business plans, major plans of action and risk management. The Executive Directors will report the sustainability decision to the Board in order to increase the confidence of our stakeholders.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.2**

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Group will update the stakeholders during the General Meetings on the latest development. The update usually converse through the press release and bursa announcement.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.3**

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>We are committed to making continuous improvements in the management of our environmental impact and to the longer term goal of developing a sustainable business. In this respect, we undertake to ensure the effective use of natural resources and improve quality of life by promoting corporate social responsibility.</p> <p>The Executive Directors had practiced material sustainability along with the Board members reviewed when making any decision in order to protect stakeholders interest.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.4**

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company’s material sustainability risks and opportunities.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Current performance evaluation of the board and senior management does not cover this area. Will develop an evaluation format on review the performance of the board and senior management in addressing the company’s material sustainability risk and opportunities.	
		.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.5- Step Up**

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

*Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.*

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Executive Directors are designated to focus to manage sustainability strategically.

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	During financial year 2022, the Nomination undertook the following activities in relation to the assessment of Board's composition and tenure of Directors:  <ol style="list-style-type: none"><li>1. Reviewed and assessed the effectiveness of the Board as a whole, as well as the Committees of the Board, and the contribution of each individual Director including his time commitment, character, experience, integrity and competency; and</li><li>2. Reviewed and recommended the re-election of Directors who were subject to retirement by rotation at the forthcoming Sixteenth Annual General Meeting.</li></ol>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.2**

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board currently has eight (8) members, comprising four (4) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Directors and three (3) Executive Directors. The Independent Directors constitute 50% of the Board. The Board composition also complies with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad that requires a minimum of two (2) Directors or one-third (1/3) of the Board, whichever is higher, to be Independent Directors.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	None of the Independent Non-Executive Directors has served the Board exceeding a cumulative term limit of nine years.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.4 - Step Up**

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

*Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.*

<b>Application</b> :	Not adopted
<b>Explanation on adoption of the practice</b> :	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.5**

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	To maintain the best interest of the Company, diversity within the Board, Senior Management and all levels of the organization is applied. In line with this, the Board and Senior Management are appointed based on merit, mix of skills, competencies, experience, professionalism and other relevant qualities which involve age and cultural background to have better governance in the Group.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Company has in place, its procedures and criteria for identifying candidates for appointment of Directors. All candidates for appointment are assess and review by the Nomination Committee, taking into account the mix of skills, competencies, experience, professionalism and other relevant qualities to manage the Company.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Directors' age, gender, qualification, position, interest, working experience and occupation are set out in the Directors' Profile section in the Annual Report.  The Board has through the Nomination Committee, considered the assessment of retiring Directors before recommendation is made to the shareholders for consideration. Nomination Committee also assesses the "independence" of the Independent Directors.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.8**

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Nomination Committee is chaired by Mr Lim Kian Huat who is an Independent Non-Executive Director.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Currently, the Board does not comprise of any female director.	
		<p>The Board does not set any target on gender diversity. The Board is of the view that the selection of a candidate for the Board should be dependent on the candidate's skills, knowledge, education, qualities, expertise and experience and other qualities in meeting the requirements of the Company regardless of gender.</p> <p>Hence, as part of the Company's succession planning, gender diversity objectives will constantly be observed as a key consideration by the Company even without any specific targets determined. Additionally, the Board will look into the scope and measures of the policy on a regular basis, in ensuring its on-going effectiveness and applicability.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.10**

The board discloses in its annual report the company’s policy on gender diversity for the board and senior management.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board does not set any target on gender diversity. The Board is of the view that the selection of a candidate for the Board should be dependent on the candidate’s skills, knowledge, education, qualities, expertise and experience and other qualities in meeting the requirements of the Company regardless of gender.	
		Hence, as part of the Company’s succession planning, gender diversity objectives will constantly be observed as a key consideration by the Company even without any specific targets determined. Additionally, the Board will look into the scope and measures of the policy on a regular basis, in ensuring its on-going effectiveness and applicability.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

## Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>Evaluation had been done to assess the Board, Board Committees and each individual Director. The evaluation was conducted using the Individual Director Self and Peer Evaluation Form, Evaluation of Board Effectiveness Form and Evaluation of Level of Independent of a Director Form.</p> <p>The results indicated that the Board as a whole was effective and individual contribution of each director was satisfactory.</p> <p>The Nomination Committee and the Board was satisfied with the current composition of the Board and Board committees as well as the performance of the Directors and independence of the Independent Directors.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group has established a Remuneration Committee to develop remuneration strategies that drive performance and provide levels of reward which reflect the performance of the Executive Directors and key senior management. Hence, all remuneration related matters of the Directors and key senior management are presently subjected to the oversight and management of the Remuneration Committee.</p> <p>Procedures, such as assessing and recommending the remuneration packages for Directors and key senior management, and other relevant tasks are currently carried out by the Remuneration Committee prior to the necessary reporting to the Board.</p> <p>A remuneration policy in stipulating guidance over the administration of matters related to remuneration within the Company is in place.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>During the financial year under review and at present, the Remuneration Committee consists of three (3) Independent Non-Executive Directors, which meet the recommended practice of having a full composition of Non-Executive Directors as members.</p> <p>The Remuneration Committee has been entrusted by the Board to determine that the levels of remuneration are sufficient to attract and retain Directors of quality required to manage the business of the Group. The Remuneration Committee is entrusted under its terms of reference to assist the Board, amongst others, to recommend to the Board the remuneration of the Executive Directors. In the case of Non-Executive Directors, the level of remuneration shall reflect the experience and level of responsibilities undertaken by the Non-Executive Directors concerned. In all instances, the deliberations are conducted, with the Directors concerned abstaining from discussions on their individual remuneration.</p> <p>The Board as a whole approves the remuneration of the Executive Directors with the Directors concerned abstaining from the decision in respect of their remuneration.</p> <p>The Remuneration Committee has written Terms of Reference which deals with its authority and duties. The Terms of Reference of Remuneration Committee is available at the Company's website at <a href="http://www.scanwolf.com">www.scanwolf.com</a></p>
<b>Explanation for departure</b>	:	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.1**

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The details of the Directors' remuneration for the financial year ended 30 June 2022 including fees, salaries, bonus and other emoluments are disclosed in Corporate Governance Overview Statement of the Annual Report 2022.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Tan Sin Keat	Executive Director	30	73.75	340.5	14.19		75.81	534.25	30	73.75	340.5	14.19		75.81	534.25
2	Mr Ng Chee Wai	Executive Director	30	73.75	240	10		57.42	411.17	30	73.75	240	10		57.42	411.17
3	Dato' Cheong Chen Khan	Executive Director	22.5	2.5					25	22.5	2.5					25
4	Tan Sri Dato' Sri Haji Syed Zainal Abidin Bin Syed Mohamed Tahir (appointed on 5 November 2021)	Independent Director	100	1.5					101.5	100	1.5					101.5
5	Mr Khoo Kien Hoe (appointed on 5 November 2021)	Independent Director	20	2					22	20	2					22
6	Mr Ow Kee Teik (appointed on 5 November 2021)	Independent Director	20	2					22	20	2					22
7	Mr Lim Kian Huat (appointed on 3 January 2022)	Independent Director	15	1					16	15	1					16
8	Mr Ong Sing Guan (resigned on 5 November 2021)	Independent Director		1.5					1.5		1.5					1.5
9	Mr Liew Peng Chuen @ Liew Ah Choy (resigned on 5 November 2021)	Independent Director		1.5					1.5		1.5					1.5
10	Encik Saffie Bin Bakar (resigned on 17 December 2021)	Independent Director	15	2.5					17.5	15	2.5					17.5
11	Dato' Dr Chew Chen	Non-Executive	15	1					16	15	1					16

	Yee (appointed on 3 January 2022)	Non-Independent Director														
12	Mr Lau Tiang Hua (resigned on 5 November 2021)	Non-Executive Non-Independent Director		1.5					1.5		1.5					1.5
13																
14																
15																

### Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

### Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The top two senior management's remuneration for the financial year ended 30 June 2022 are disclosed in Corporate Governance Overview Statement of the Annual Report 2022.</p> <p>The Board is of the view that the disclosure in accordance with the recommendation of Practice 8.2 is not in the best interest of the Company and has decided to depart from the recommendation in order to alleviate valid concerns on the confidentiality of remuneration packages and given the competitiveness in the employment environment.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1								
2								
3								
4								
5								

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.3 - Step Up**

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

No	Name	Position	Company ('000)					Total
			Salary	Allowance	Bonus	Benefits	Other emoluments	
1								
2								
3								
4								
5								

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

**Practice 9.1**

The Chairman of the Audit Committee is not the Chairman of the board.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Chairman of the Audit Committee and Chairman of the Board is held by two different Directors.</p> <p>The Chairman of the Board is Tan Sri Dato' Sri Haji Syed Zainal Abidin Bin Syed Mohamed Tahir and the Chairman of Audit Committee is Mr Khoo Kien Hoe.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee’s findings and recommendations. The company’s financial statement is a reliable source of information.

**Practice 9.2**

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	This practice has been adopted by the Audit Committee as stipulated in its Terms of Reference where it has put in place the policy that requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee’s findings and recommendations. The company’s financial statement is a reliable source of information.

**Practice 9.3**

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	On 29 August 2022, an annual assessment on the suitability and independence of external auditors was conducted by the Audit Committee. The Audit Committee, having assessed the independence of external auditors for the financial year ended 30 June 2022, was satisfied with their competency, suitability and independence. The Audit Committee has recommended their re-appointment to the Board, wherein shareholders’ approval will be obtained at the Sixteenth Annual General Meeting.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Audit Committee of the Company comprises solely of Independent Non-Executive Directors.

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

### Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The members of the Audit Committee possess the necessary skills to discharge their duties and are financially literate. The profiles of the members of the Audit Committee are provided in the Annual Report 2022.</p> <p>The training programs that the members of the Audit Committee have attended during the financial year ended 30 June 2022 are disclosed in the Annual Report 2022.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company’s objectives is mitigated and managed.

### Practice 10.1

The board should establish an effective risk management and internal control framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is responsible to maintain a sound and effective system of risk management and internal control in order to safeguard the interest of the Company and its stakeholders. As such, the Board regularly reviews the adequacy and effectiveness of these systems in supporting the Company’s strategy and operations to achieve any targeted objectives.</p> <p>In order to be effective in discharging these responsibilities, the Board is assisted by the Audit Committee which functions as an oversight body to review controls and systems in general and to carry out on-going assessment over the adequacy and effectiveness of the risk management and internal control practices within the organisation.</p> <p>In addition to the abovementioned, the Board is supported by the Management in developing, implementing and monitoring practices for identifying and managing risks. This is added with the role of the Management to provide assurance that the necessary control practices are adhered and carried out accordingly based on stipulated policies and framework.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>During the year, an assurance is provided by the Executive Directors and Chief Financial Officer that the Group's risk management and internal controls have been operating adequately and effectively, in all material aspects, during the year under review to the Board. Taking into consideration this assurance during the Board's assessment of the Group's risk management and internal control, the Board is of the view that the systems of internal control and the risk management is considered adequate for the Group's business operations.</p> <p>The Statement on Risk Management and Internal Control as set out in the Annual Report, which has been reviewed by the External Auditors of the Company provides the key elements and overall state of the internal control and risk management framework of the Group.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### **Intended Outcome**

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### **Practice 10.3 - Step Up**

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The composition of the Audit &amp; Risk Management Committee are as follows:-</p> <ul style="list-style-type: none"><li>• Mr Khoo Kien Hoe (Chairman) – Independent Non-Executive Director</li><li>• Mr Ow Kee Teik (Member) – Independent Non-Executive Director</li><li>• Mr Lim Kian Huat (Member) – Independent Non-Executive Director</li></ul>

### Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Audit and Risk Management Committee, one of the primary responsibilities is to administer the review and assess of the Company's internal audit function.</p> <p>The internal audit function is currently outsourced to an external professional firm/service provider who reports directly to the Audit and Risk Management Committee, i.e. by providing independent and objective reports on the state of internal control of the various operations within the Group and the extent of compliance on established policies and procedures.</p> <p>The Audit and Risk Management Committee has on 29 August 2022 carried out an assessment on the performance of the outsourced internal audit function and has reported such assessment to the Board.</p> <p>Details of the internal audit function and activities relevant to the discharge of the Audit and Risk Management Committee's responsibilities are set out in the Statement on Risk Management and Internal Control and the Audit Committee Report of the Company's Annual Report 2022.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company's internal audit function is outsourced to Finfield Corporate Services Sdn Bhd. The internal auditors of the Engagement Team are free from any relationships or conflicts of interest, which could impair their objectivity and independence. The number of staff deployed for the internal audit reviews ranges from 2 to 3 staff per visit including the Engagement Director.</p> <p>The Engagement Director is Mr Tan Yen Yeow who has diverse professional experience in internal audit and risk management. He is a Member of the Institute of Internal Auditors Malaysia and a member of the Malaysian Institute of Accountants.</p> <p>The internal audit function adopts an internal audit framework with process based on the standards recommended by the International Professional Practices Framework of the Institute of Internal Auditors.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board believes that effective communication fosters better understanding of the Group's objectives and financial performance. In order to promote effective communication with the Company's stakeholders, information/results are made available through timely announcements and disclosure, executed via the Bursa Malaysia Securities Berhad's website, the Company's webpage, press releases and annual reports in line with the disclosure requirements of Main Market Listing Requirements.</p> <p>Additionally, the Company emphasises on providing a principal platform for dialogue and interactions with stakeholders, i.e. primarily its shareholders, through its Annual General Meeting. The Annual General Meeting serves as a principal forum for dialogues with individual shareholders as it provides shareholders the opportunity to ask questions about the proposed resolutions or about the Company's operations in general.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other’s objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

**Practice 12.2**

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

<b>Application</b>	:	Not applicable – Not a Large Company	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.1**

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company ensures the adherence of the stipulated period of issuance for notice of Annual General Meeting, in which all the notice of Annual General Meeting are provided at least 28 days in advance to enable shareholders to make adequate preparation.</p> <p>In addition to sending the notice, the Company also advertised in one (1) nationally circulated English daily newspaper as well as published the notice of Annual General Meeting on its website and the information still remains on its website.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.2**

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>All the Directors of the Company attend General Meetings in order to engage directly with shareholders and to take up any relevant questions which are related to matters that fall under the purview of the Board Committees or Board, unless unforeseen circumstances preclude them from attending General Meetings.</p> <p>At the Fifteenth Annual General Meeting of the Company held on 26 November 2021, all the Directors attended the Annual General Meeting accordingly.</p> <p>The shareholders present at the Annual General Meeting were invited to ask questions about the resolutions being proposed at the Annual General Meeting before putting them to vote by poll.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.3**

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders’ participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company does not have a large number of shareholders and conducts its general meetings at a well-established and convenient location on a consistent basis.</p> <p>The Company sends out Notice of General Meeting within appropriate and considerate timeframe in order to give shareholders ample preparation time. For circumstances whereby shareholders are not able to attend the meetings physically, they are entitled to appoint representatives or proxy(ies) to represent on their behalf.</p> <p>However, the Company will take into consideration the regulations issued at the material time resulting from the outbreak of Covid-19 to decide whether to convene a general meeting electronically and remotely via Remote Participation and Voting Facilities.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	The AGM was led by Chairman. Shareholders were accorded the opportunity to raise questions on matters relating to the Company's both financial and non-financial performance by posing their questions within the online meeting platform during the AGM which was conducted on Fully Virtual Basis.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>Arising from the Covid-19 pandemic, the Company held its fully virtual Fifteenth Annual General Meeting on 26 November 2021 and an Extraordinary General Meeting on 9 June 2021.</p> <p>The Company tapped on digital infrastructure to facilitate live streaming of the Company's Annual General Meeting as well as online remote participation and online voting by shareholders.</p> <p>The required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders were in place.</p> <p>Questions posed by shareholders prior to and during the general meetings as well as the Company's responses were presented and read out/answered at the general meetings. Minutes of the AGM with containing the shareholders' questions and responses were subsequently uploaded to the Company's website.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	



**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.6**

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: Pursuant to Guidance 13.6 of the MCCG 2021, Minutes of AGM and EGM is published on the Company's website within 30 business days upon conclusion of the general meetings.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES  
PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA  
MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

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